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## **S. 1283 – District of Columbia Appropriations Bill, FY 2000**

Calendar No. 170

Reported as an original bill from the Senate Appropriations Committee on June 24, 1999, by a vote of 28-0. S. Rept. 106-88.

### **NOTEWORTHY**

- The Senate bill provides a total of \$410.7 million in federal funds for the District. This sum includes the federal payment for D.C. corrections trustee operations and D.C. courts. In addition to these federal funds, provision is made for \$1.51 billion in federal grants for a total of \$1.92 billion in total federal funds.
- In all, the bill includes a recommendation of some \$6.7 billion in funds for the District of Columbia, an amount which includes the \$1.51 billion noted above, plus \$4.05 billion in local funds, and \$1.19 billion in private and other funds to be appropriated in FY 2000. This total amount is \$40.3 million below last year's funding level, and \$4.6 million above the budget request.
- New this year is the federal payment to the city for D.C. resident tuition support in the amount of \$17 million, subject to enactment of authorizing legislation for this program. The President requested this same amount, but in the Department of Education budget.
- A new provision added this year would require the District to establish a positive surplus fund balance requirement (section 148). Another new provision (section 149) provides incentives for commercial revitalization by using local tax incentives for refurbishment of buildings in blighted neighborhoods.
- As in previous years, the bill prohibits the use of any appropriated funds for abortion, except in cases of rape, incest or when the life of the mother is in danger; continues to prohibit the use of any appropriated funds to implement the Domestic Partners Act; and prevents the city from using funds for seeking to require Congress to provide for voting representation in Congress for the District of Columbia.

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## HIGHLIGHTS

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**Total Resources:** It is estimated that a total of \$6.75 billion will be available to the District of Columbia for FY 2000. Included in this figure are appropriations from local funds, federal grants, and private and other funds. The financing of appropriations from District funds is from various local taxes, fees, charges, and other collections received by the District government.

**Federal Funds:** A total of \$1.92 billion in federal funds will be available to the District government during FY 2000. Included in this total is \$410.7 million in federal payments for the D.C. corrections trustee operations, the D. C. Courts, and the D.C. Court Services and Offender Supervision Agency. The total also includes \$17 million for the Public Education System and \$1 million for Public Safety and Justice. Other federal funds will be received by the District from the various federal grant programs. In addition, federal reimbursements are received from such programs as Medicaid and Medicare.

- **Federal Payment to Corrections Trustee Operations:** The Committee provides \$176 million for payment to the D.C. corrections trustee for the administration and operation of correctional facilities for sentenced adult felons. Of this total, \$173.4 million is for housing the District's sentenced adult felon population in private, federal and District facilities. The remaining \$2.6 million is for personnel services and administrative expenses.
- **Federal Payment for D.C. Courts:** A total payment of \$136.4 million is provided, including \$128.4 million for operation of the D.C. courts and \$8 million for the capital improvements for District courthouse facilities.
- **Federal Payment to the Court Services and Offender Supervision Agency:** Accepts the President's budget request for \$80.3 million (\$20.9 million, or 35 percent, over last year) to fund the additional programs and activities as requested, and directs \$5.9 million to increase drug testing. This agency was established to assume the functions of the District's pretrial services, adult probation, parole, and adult offender supervision functions.
- **Federal Payment for Resident Tuition Support:** The Committee recommends \$17 million in Federal funds for a program, to be administered by the Mayor, for District of Columbia resident tuition support. The President had requested this same amount but the request was contained in the budget for the Department of Education. The disbursement of these funds from the U.S. Treasury is subject to the enactment of authorizing legislation specifically referencing this program. These funds will be used to pay the difference between in-state and out-of-state tuition at public institutions of higher education on behalf of eligible D.C. residents.
- **Federal Payment for the Metropolitan Police Department:** An appropriation of \$1 million is provided to implement a program to eliminate open air drug markets in the

District of Columbia. The Committee directs the Chief of Police to provide the Committee by January 15, 2000, with an action plan for eliminating the District's open air drug trafficking.

- **Federal Grants:** The District participates as a State, county, and city in the various federal grant programs. At the time the FY 2000 budget was submitted, the District estimated that it would receive a total of \$1.5 billion in federal grants during the coming year. This grant assistance includes \$875.8 million for human support services, \$121 million for the public education system, \$84.8 million for economic development and regulation, \$11.7 million for governmental direction and support, and \$29 million for public safety and justice.

## **GENERAL PROVISIONS**

### **Key New Provisions:**

- **Reserve and Positive Fund Balance:** Section 148 is a new section that establishes a foundation on which the District can establish a sound fiscal policy for years to come, as well as to address the concerns raised by local leaders about pent up funds due to the statutory reserve created in the 1999 appropriations bill. Last year's bill established a statutory reserve of \$150 million which the Committee considers to be vitally important to the District's financial well-being and proposes that various conditions be imposed on the use of this \$150 million rainy day fund (for more details, see page 64 of the Committee Report). In addition to the Reserve Fund, the Committee requires the District to maintain a budget surplus equivalent to 4-percent of expenditures. Funds above that level may be used half for non-recurring expenses and half to pay down debt.
- **Commercial Revitalization:** Another new section added this year, section 149, provides the Mayor, in consultation with the City Council and the Corporation, with the authority to use federal funds, appropriated during FY99 for the purpose of providing local tax abatement, for commercial revitalization. This new program would permit the city to use unspect economic development funds appropriated last year to offer local tax incentives for the refurbishment of rundown buildings in blighted neighborhoods. In engaging in such a program, the Committee urges the Mayor to review S. 889 as a guideline for implementing any such credit procedure (that bill, the Commercial Revitalization Tax Act of 1999, is pending in the Finance Committee).
- **Charter Schools Parity:** The bill adopts the D.C. Financial Authority proposal to ensure that charter schools receive per-pupil funding parity with public schools by preserving a 5 percent set-aside within the public school budget for that purpose.
- **City Council:** The bill reduces the pay increase for part-time City Council members from 15 percent to 5 percent..

### **Other Provisions:**

- **Special Education:** Section 128 limits attorney fees in special education cases in amounts allowable under the D.C. Code.
- **Abortion Funding:** Section 129 prohibits the use of all appropriated funds to perform abortions except in cases of rape, incest or when the life of the mother would be endangered.
- **Domestic Partners Law:** Section 130 prohibits the use of any funds by the District to implement the Domestic Partners Act. This would prohibit the use of any funds to extend city health care benefits to any live-in partner registered by a city employee.
- **Voting Representation:** Section 145 prohibits the use of funds by the D.C. Corporation Counsel for a petition drive or civil action which seeks to require Congress to provide for voting representation in Congress for District.

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### **COST**

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The Congressional Budget Office estimates that the bill would result in outlays of \$401 million in FY 2000, and \$4 million in FY 2001.

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### **POSSIBLE AMENDMENTS**

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Gregg. Education vouchers.

Coverdell. Needle exchange.

Dorgan. Termination of parole for illegal drug use.

Dorgan. Require a GAO study of the D.C. criminal justice system.

Durbin. Eliminate the \$17 million provided for D.C. resident tuition assistance program.

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